



***United States Attorney
District of New Jersey***

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**THREE ARRESTED FOR ROLES IN FRAUDULENT
COMMERCIAL BANK LOAN SCHEMES**

NEWARK, N.J. – Three individuals were arrested this morning on charges arising from an ongoing investigation into bank fraud in northern New Jersey, U.S. Attorney Paul J. Fishman announced.

Mi-Young Mun, 53, of Rutherford, N.J.; Hyun-Soon Cho, 53, of Little Ferry, N.J.; and Jin-Young Kim, 33, of Flushing, N.Y., were arrested this morning and are scheduled to appear this afternoon before United States Magistrate Judge Esther Salas in Newark federal court.

According to the Complaints unsealed today:

United States v. Mi-Young Mun, Mag No. 11-7022 (ES)

Mi-Young Mun conspired with others to fraudulently obtain bank loans totaling approximately \$150,000. In June 2007, Mun applied for commercial loans from Citibank and Chase Bank under the business name 4U Nails, a business entity owned by his wife in which he had no ownership interest. On the Citibank loan, Mun falsely claimed that he had been operating 4U Nails since May 2000 and the business had approximately \$970,000 in annual sales. On the Chase Bank loan, Mun falsely claimed that 4U Nails had been operating since May 2000 and had approximately \$720,000 in annual sales. On both loans, Mun claimed that the value of his residence was approximately \$900,000.

A broker and co-conspirator with the initials "M.S.P." assisted Mun to obtain the loans, knowing that Mun had no ownership interest in 4U Nails. Mun then disbursed proceeds of the loans to himself and other co-conspirators, including M.S.P. and an individual with the initials "C.O.K."

Mun is charged with conspiracy to commit bank fraud. This offense carries a maximum potential penalty of 30 years in prison and a \$1 million fine.

United States v. Hyun-Soon Cho, Mag No. 11-7007 (ES)

Hyun-Soon Cho fraudulently obtained two commercial loans totaling approximately \$115,000. In March 2007, Cho applied for commercial loans from TD Bank and PNC Bank on

behalf of J.J. Automotive, a fictitious company.

On the loan application for the TD Loan, Cho falsely claimed that J.J. Automotive had approximately \$419,000 in income in the prior year, and had operated since June 8, 2002. The application also contained a false address and was supported by a false Certificate of Trade. Cho disbursed approximately \$15,000 to herself, approximately \$14,000 to her husband, and approximately \$3,000 to C.O.K.

In the same month, Cho applied for a second loan at PNC Bank on behalf of J.J. Automotive, providing similar false statements and documentation. Cho then disbursed approximately \$6,000 to herself, approximately \$10,000 to her husband, and approximately \$9,000 to C.O.K.

Cho is charged with two counts of bank fraud. Each offense carries a maximum potential penalty of 30 years in prison and a \$1 million fine.

United States v. Jin-Young Kim, Mag No. 11-7015 (ES)

Jin-Young Kim conspired with others to fraudulently obtain bank loans totaling approximately \$50,000. In May 2007, Kim and others conspired to obtain a commercial loan at Chase Bank on behalf of Empire Junior Market. An individual with the initials Y.K.K., who had no ownership interest in the business, applied for the loan using fraudulent statements and documents. In reality, Kim was the actual borrower and co-conspirator Y.K.K. was serving as a “straw” borrower. Kim received the vast majority of the loan’s proceeds.

Kim is charged with conspiracy to commit bank fraud. This offense carries a maximum potential penalty of 30 years in prison and up to a \$1 million fine.

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On September 16, 2011, Chun-O Kim, 44, of Edgewater, N.J., the principal owner and operator of a purported general contracting company headquartered in Englewood, N.J.; Hosin Kim, 45, of Edgewater, the husband of defendant Chun-O Kim and the principal of a purported wholesale construction supply company operating out of Englewood; Nathan Buschman, 31, a branch manager at a bank in Edgewater; and Zakchary Benji, 28, a loan officer at a bank in Clifton, N.J., were arrested and charged with conspiracy to commit bank fraud as a result of the same ongoing investigation.

U.S. Attorney Fishman praised special agents of the Small Business Administration Office of Inspector General, Eastern Region, under the direction of Special Agent in Charge Aaron Collins; Federal Bureau of Investigation, under the direction of Special Agent in Charge Michael B. Ward in Newark; Internal Revenue Service – Criminal Investigation, under the direction of Special Agent in Charge Victor W. Lessoff; detectives from the Bergen County

Prosecutor's Office, under the direction of Prosecutor John L. Molinelli and the Office's Chief of Detectives Steven Cucciniello, and detectives and officers from the Englewood Police Department, under the direction of Chief of Police Arthur O'Keefe, for their work leading to today's charges.

The government is represented by Assistant United States Attorneys Jane Yoon, Barbara Llanes, and Anthony Moscato, of the U.S. Attorney's Office Criminal Division in Newark.

The charges and allegations contained in the Complaints are merely accusations, and the defendants are considered innocent unless and until proven guilty.

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